UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/722,730	11/26/2003	Nicholas Frattalone	32958.00002	7353

29880 7590 08/05/2009

FOX ROTHSCHILD LLP
PRINCETON PIKE CORPORATE CENTER
2000 Market Street
Tenth Floor
Philadelphia, PA 19103

EXAMINER	
FELTEN, DANIEL S	
ART UNIT	PAPER NUMBER
3696	

MAIL DATE	DELIVERY MODE
08/05/2009	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/722,730	FRATTALONE, NICHOLAS	
	Examiner	Art Unit	
	DANIEL S. FELTEN	3696	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *30 April 2009*.

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1,2,4-6 and 10-25* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-2, 4-6 and 10-25* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

1. Receipt of the amendment submitted April 03, 2009 amending claim 1 and canceling claims 2 and 4. Thus claims 1, 5, 6, and 10-25 are pending in the application and are presented to be examined upon their merits.

Response to Arguments

In Regards to the 35 U.S.C. § 101 Rejections:

2. Applicant's arguments filed April 03, 2009 have been fully considered but they are not persuasive. The applicant asserts that newly amended claim 1 recites a method for the build-out of a cellular network by a communication company by identifying two or more areas where cell towers are needed for a wireless communications network. identity wireless communications network, identifying within each area at least one desirable location for positioning at least one cell tower, identifying at least one parcel of land to acquire through lease within each desirable location and tendering to each property owner the lease acquisition offer, wherein steps (a) through (e) are optionally repeated until enough offers are accepted to build out said network, after which at least some of the parcels of land for which offers were accepted are leased and at least one cell tower is erected on at least one leased parcel of land. The applicant further asserts that amendment over comes the 35 U.S.C. § 101 rejection submitted to the applicant in the prior office action submitted October 30, 2008. The Examiner disagrees. It is respectfully to the applicant that the applicant that the amendments provided in both the preamble in the body do are still fall under 35 U.S.C. § 101 as now claimed because based on Supreme Court precedent (*Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978);

Gottschalk v. Benson, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)) and other Federal Circuit decisions, §101 process must (1) be tied to another statutory class (such as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (the Supreme Court recognized that this test is not necessarily fixed or permanent and may evolve with technological advances. *Gottschalk v. Benson*, 409 U.S. 63, 71 (1972)).

In this particular case, regarding the first test, in performing the steps of identifying areas and identifying locations with each area and leasing parcels of land as the claimed subject matter, there is no requirement that a machine be used, thus the claims are not considered sufficiently tied to another statutory class. Regarding the second test, since the claimed subject matter may be performed manually or by using only human intelligence, the steps do not sufficiently transform the underlying subject matter to be statutory [see MPEP 2105 & 2106.01].

It is also submitted that offers submitted as binding legal contracts in this case as leasing agreements are not considered statutory patentable subject matter. Thus for the following reasons the 35 U.S.C. § 101 is maintained.

In Regards to the 35 U.S.C. 103(a) rejections:

3. It respectfully submitted to the applicant that in response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.,* 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986). It should be further mentioned that references, in showing obviousness are

provided for what they suggest to one of ordinary skill in the art, rather than their specific disclosure. Thus SBA suggests a method for long-term leasing by a company of a plurality of properties, two or more of which are separately owned and each of which is with an area where wireless communications facility is needed for a wireless communication network and each of which contains a location desirable for positioning said facility (see SBA, *"site acquisition", "site development", "leasing negotiation",* also see paragraph 4), identifying two or more properties to acquire thorough lease (see SBA website "site development" and Article, paragraph 4); and SBA discloses that it offers a broad array of site acquisition, zoning construction and tower space leasing services to the wireless communication industry comprising an offer to lease each property for a term of years (see Article, paragraph 4).

Melone discloses a method and system for structuring developing, administering and managing a lease transaction which allows a lump sum payment as consideration

In the previous office action it was mentioned how SBA fails to disclose an offer to lease a property and how since the SBA provides a broad array of services that are customized to the clients needs, the lump sum payment of Melone would be an obvious extension to the leasing services provided by SBA to provided greater flexibility and leverage (as enunciated in Melone) to accommodate the needs of their customers, being that such a modification would provide SBA a broader customer base and increase the company's growth and profitability.

Again it was stated that SBA fails to disclose, the specific leasing term (or offer) wherein the total rent is less than the aggregate projected period lease payments for each property over the term of use.

It was suggested that Gross discloses a method for leasing properties wherein the total rent for a property is less than the aggregate period lease payment over the term of use and how it would have been obvious for an artisan to recognize the advantages of the aforementioned lease term to achieve the goals of growth and profitability as well as to achieve advantageous accounting treatment for the parties to the transaction where the transaction is structured to enable the lessee to achieve operating lease treatment, thereby avoiding adverse impact on the lessee's balance sheet and increasing ratings.

Thus for the reasons mentioned above the previous rejects are maintained and are presented below for the applicant's convenience.

Claim Rejections - 35 USC § 101

1. 35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claims 1, 2, 4-6 rejected under 35 U.S.C. 101 because the process must be tied to another statutory class (such as a particular apparatus) or transform the underlying subject matter (such as an article or materials) to a different state of thing. In this case the recitation of a wireless communication network has not been given patentable weight because the recitation occurs in the preamble. A preamble is generally not accorded any patentable weight where it merely recites the purpose of a process or the intended use of a structure, and where the body of the claim does not depend on the preamble for completeness but, instead, the process steps or

structural limitations are able to stand alone. See *In re Hirao*, 535 F.2d 67, 190 USPQ 15 (CCPA 1976) and *Kropa v. Robie*, 187 F.2d 150, 152, 88 USPQ 478, 481 (CCPA 1951).

Furthermore, the limitations in the body of the claim are considered abstract mental steps that have no connection with a composition of matter (e.g., an article),but is concerned with a form of abstraction (terms within a offer/contract/lease) which is/are considered nonfunctional descriptive material (see MPEP 2106.01).

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

2. Claims 1-2, 4-6 and 10-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over SBA Communications Corporation Announces 2nd Quarter Results; Accelerates Tower Ownership (Aug. 14,1998), SBA website (sbasite.com) in view of Melone et al (US 2002/0138419) and Gross et al (US 2003/0225665).

SBA discloses, *as in claims 1 & 16-25*, a method for long-term leasing by a company of a plurality of properties, two or more of which are separately owned and each of which is with an area where wireless communications facility is needed for a wireless communication network

and each of which contains a location desirable for positioning said facility (see SBA, "*site acquisition*", "*site development*", "*leasing negotiation*", also see paragraph 4),

identifying two or more areas to acquire thorough lease

identifying at least one desirable location for positioning (see SBA website "site development" and Article, paragraph 4); and

SBA discloses that it offers a broad array of site acquisition, zoning construction and tower space leasing services to the wireless communication industry comprising an offer to lease each property for a term of years (see Article, paragraph 4), but fails to disclose an offer to lease a property with a lump sum payment as consideration.

Melone discloses a method and system for structuring developing, administering and managing a lease transaction which allows a lump sum payment as consideration (see paras 0043-0044). Since the SBA provides a broad array of services that are customized to the clients needs (see Article paragraph 4), the lumpsum payment of Melone would be an obvious extension to the leasing services provided by SBA to provided greater flexibility and leverage (as enunciated in Melone) to accommodate the needs of their cusotmers. Thus, such a modification would provide SBA a broader customer base and increase the company's growth and profitability.

SBA fails to disclose, the specific leasing term (or offer) wherein the total rent is less than the aggregate projected period lease payments for each property over the term of use. Gross discloses a method for leasing properties wherein the total rent for a property is less than the aggregate period lease payment over the term of use (see Gross, paragraphs 0011-0017). It would have been obvious for an artisan to recognize the advantages of the aforementioned lease

term to achieve the goals of growth and profitability mentioned above, as well as to achieve advantageous accounting treatment for the parties to the transaction where the transaction is structured to enable the lessee to achieve operating lease treatment, thereby avoiding adverse impact on the lessee's balance sheet and increasing ratings. The transaction is also advantageously structured to achieve leverage lease account treatment for the lessor, thereby providing favorable operating results on its reported financial statements (see Gross, *field of invention*, paragraph 0002). SBA, therefore would have recognized these advantages and used them to also provide mutually beneficial transactions between both parties as part of the lease negotiation process.

--wherein the properties are parcels on land (see SBA website and article), *as in claim 2*

--wherein at least one wireless communications facility is a part of a communications network (see SBA website and article), *as in claim 4*

--wherein said offer is to lease only a portion of each parcel of land comprising said desirable location, and any necessary access (see SBA website and article), *as in claim 5*

--wherein said offer is to lease said entire parcel of land (see SBA website and article*), as in claim 6*

--Re claims 10-15: the various forms of payment of the lump sum (*shorter term, undivided, in lieu of rent payments, cash, negotiable securities, etc.*) are well known in the art to make it convenient for transactions to take place between parties. Therefore OFFICIAL Notice is taken by the examiner of the aforementioned methods of payment being an obvious extension to the prior art SBA so as to provide a convenient (as well as conventional) transference of funds being well within the ordinary skill in the art.

Conclusion

3. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL S. FELTEN whose telephone number is (571)272-6742. The examiner can normally be reached on Flex.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Thomas Dixon can be reached on (571) 272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Daniel S Felten
Primary Examiner
Art Unit 3696

/Daniel S Felten/
Primary Examiner, Art Unit 3696